

(LENDER LETTERHEAD)

INTENT TO SUBORDINATE

[Date]

[Program Administrator and address]

Re: Application of [Name of Applicant] (the "Applicant), for HOME Program Financial Assistance

Gentlemen/Ladies:

The undersigned, a duly authorized officer of [Lender] (the "Lender"), makes the following representations:

1. The Lender holds one or more mortgages on the following property (the "Property"): [property description]
2. The Lender understands that Applicant intends to rehabilitate the Property and is applying for financial assistance through the federal government's HOME Investment Partnerships Program ("HOME Program").
3. The Lender understands that one of the requirements for receiving the Home Program financial assistance is that all lenders in senior position subordinate their mortgages on the Property to a Declaration of Covenants, Conditions and Restrictions ("Declaration"), in substantially the same form as the standard Declaration, a copy of which has been provided to the Lender.
4. The Lender understands that if all senior lien holders do not subordinate their mortgage to the Declaration, Applicant will not qualify for the HOME Program financial assistance.
5. The Lender understands that the Declaration will be recorded against the property and enables the Declaration's restrictions to survive in the event of a foreclosure or deed in lieu of foreclosure.
6. The Lender understands that the subordination of its mortgage(s) to the Declaration does not subordinate the Lender's mortgage(s) to any instruments securing repayment of the HOME Program loan.

The undersigned certifies that if the request of Applicant for Home Program financial assistance is approved, the Lender will subordinate its mortgage(s) on the Property to the Declaration described above by executing a subordination agreement in the same form as the attached hereto, at the time of closing.

This Intent To Subordinate is effective this ____ day of _____, 2004.

Signature of Lender's Authorized Official

Name: _____

Title: _____